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GRANT PARISH SHERIFF

COLFAX, LOUISIANA

June 30, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/23/08

**Grant Parish Sheriff
Colfax, Louisiana**

June 30, 2007

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**Grant Parish Sheriff
Colfax, Louisiana**

June 30, 2007

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1946

Independent Auditor's Report

The Honorable L. R. Hataway
Grant Parish Sheriff
Colfax, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Grant Parish Sheriff, Colfax, Louisiana, as of and for the year ended June 30, 2007, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Grant Parish Sheriff's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Grant Parish Sheriff, as of June 30, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2007, on our consideration of the Grant Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

MARVIN A. JUNEAU, C.P.A.
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PAYNE, MOORE & HERRINGTON, LLP

The Honorable L. R. Hataway
Grant Parish Sheriff
Colfax, Louisiana

The management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 36 through 40, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grant Parish Sheriff's basic financial statements. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Payne, Moore & Herrington, LLP
Certified Public Accountants

December 5, 2007

Required Supplemental Information – Part I

Management's Discussion and Analysis

**Grant Parish Sheriff
June 30, 2007**

Management's Discussion and Analysis

The following discussion and analysis of the Grant Parish Sheriff's financial performance provides an overview of the financial activity for the fiscal year ending June 30, 2007. This analysis should provide readers with a complete picture of the financial status as of this date, and with an idea of the direction that the department is heading.

Financial Highlights

- Fund Balance in the General Fund at June 30, 2007 is \$2,142,490. This balance is an increase of \$484,398 from prior year.
- Revenues for all Governmental Funds total \$4,512,183. The General Fund revenues totaled \$3,934,958.
- Sales and Advalorem Taxes account for \$2,500,863 of the General Fund Revenues for the fiscal year June 30, 2007. This is an increase of \$181,500 from prior year.
- The Grant Parish Sheriff has no indebtedness as of June 30, 2007.
- Net Assets of Governmental Activities in the Statement of Net Assets is \$6,918,684 as of June 30, 2007. This is an increase of \$493,635 from the prior year.

Understanding the Annual Report

This report is comprised of several financial statements. These statements are designed to pull all funds of the Grant Parish Sheriff together to provide a complete picture as of the report date.

There are Notes to Basic Financial Statements beginning on page 21 that provides more detailed information to assist the reader with analysis and a greater understanding of the financial information in the statements.

Supplemental Information begins on page 36. This information provides the budgetary amounts of all funds, and shows the difference in the actual revenues and expenses. The supplemental information also includes the financial statements of the Other Governmental Funds.

Reporting the Sheriff's Office as a Whole

The Statement of Net Assets and the Statement of Activities report information about the Sheriff's Office as a whole. The Statement of Net Assets reports the assets (cash, investments, receivables, inventories and capital assets) minus liabilities (accounts payable and other debt). The resulting sum is the net assets of the Grant Sheriff as of June 30, 2007.

An analysis of the components of the Statement of Net Assets from year to year will give the reader an indication of whether the Sheriff's financial position is improving or declining. There are, however, other indicators that are not in the financial statements that need to be taken into consideration when assessing financial condition. For instance, since more than 50% of the Sheriff's general revenues are sales tax and property tax related, the economic conditions in the area should also be considered.

**Grant Parish Sheriff
June 30, 2007**

Management's Discussion and Analysis

The Statement of Activities is similar to a profit and loss statement that one would see in a business enterprise. However, instead of reporting net profit or loss, income less expenses is reported as the Change in Net Assets. The statement shows the extent to which operations of the Sheriff's Office are supported by general revenues, such as taxes and investment earnings, and how much is funded by resources raised within the Sheriff's Office, mainly charges for services.

Reporting the Sheriff's Most Significant Funds

Statement of Revenue and Expenditures in the Sheriff's Operating Fund included the revenue and expenditures of the Detention Center.

Revenue:

Taxes	\$ 2,500,863
Intergovernmental	1,052,798
Fees, charges, and commissions	353,389
Investment earnings	17,631
Other income	<u>10,277</u>
 Total Revenue	 \$ 3,934,958

Expenditures:

Personnel services and benefits	\$ 2,460,295
Operating services	329,544
Repairs and maintenance	97,773
Insurance	157,768
Materials and supplies	168,145
Other operating expenses	118,421
Capital outlay	<u>94,050</u>
 Total Expenditures	 \$ 3,425,996
 Excess of Revenues over Expenditures	 \$ 508,962

Capital Assets

Capital Assets as of June 30, 2007 total \$4,306,108. This is a decrease from prior year of \$168,653. This decrease is due to depreciation of these assets.

Debt

The Grant Parish Sheriff has not incurred any debt since 1976.

**Grant Parish Sheriff
June 30, 2007**

Management's Discussion and Analysis

Analysis of the Sheriff's Financial Statements as a Whole

Table 1 below shows the combined net assets at June 30, 2007, and comparative amounts for June 30, 2006.

**Table 1
Net Assets**

	<u>6/30/2006</u>	<u>6/30/2007</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Cash and Investments	\$1,667,796	\$2,361,476	\$ 693,680	41.59%
Receivables	437,852	328,105	(109,747)	(25.06%)
Due from fiduciary funds	9,387	96,867	87,480	931.93%
Prepaid Expenses	16,198	18,427	2,229	13.76%
Capital assets, net of depreciation	<u>4,474,761</u>	<u>4,306,108</u>	<u>(168,653)</u>	(3.77%)
 Total Assets	 6,605,994	 7,110,983	 504,989	 7.64%
 Accounts payable	 107,980	 127,095	 19,115	 17.70%
Payroll withholdings	32,358	41,204	8,846	27.34%
Long-term liabilities	<u>40,607</u>	<u>24,000</u>	<u>(16,607)</u>	(40.90%)
 Total Liabilities	 <u>180,945</u>	 <u>192,299</u>	 <u>11,354</u>	 6.27%
 Net Assets	 \$6,425,049	 \$6,918,684	 \$ 493,635	 7.68%

Grant Parish Sheriff
June 30, 2007

Management's Discussion and Analysis

The Statement of Activities for the current and prior fiscal year is summarized in Table 2 below.

Table 2
Statement of Activities (Summary)

	<u>6/30/2006</u>	<u>6/30/2007</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Program Revenues:				
Charges for Services	\$ 987,694	\$ 1,259,180	\$ 271,486	27.49%
Operating/Capital Grants	<u>1,131,553</u>	<u>714,204</u>	<u>(417,349)</u>	(36.88%)
Total Program Revenues	<u>2,119,247</u>	<u>1,973,384</u>	<u>(145,863)</u>	(6.88%)
General Revenues:				
Property Taxes	1,410,343	1,524,297	113,954	8.08%
Sales Taxes	909,020	976,566	67,546	7.43%
Other General Revenues	<u>57,383</u>	<u>41,896</u>	<u>(15,487)</u>	(26.99%)
Total General Revenues	<u>2,376,746</u>	<u>2,542,759</u>	<u>166,013</u>	6.98%
Total All Revenues	4,495,993	4,516,143	20,150	0.45%
Expenses by Function/Program				
Public Safety	2,705,475	2,480,037	(225,438)	(8.33%)
Meth Lab Task Force	564,142	372,023	(192,119)	(34.06%)
E-911	52,034	58,488	6,454	12.40%
Task Force	16,902	21,869	4,967	29.39%
Detention Center	<u>662,628</u>	<u>1,090,091</u>	<u>427,463</u>	64.51%
Total Expenses by Function/Program	<u>4,001,181</u>	<u>4,022,508</u>	<u>21,327</u>	0.53%
Change in Net Assets	\$ 494,812	\$ 493,635	\$ (1,177)	-0.24%

General Fund Budgetary Highlights

The Grant Parish Sheriff adopted a budget for the fiscal year beginning July 1, 2006 containing revenues of \$3,279,308 and expenditures of 3,259,053. This was later amended to revenues of \$3,661,728 and expenditures of \$3,335,873.

Grant Parish Sheriff
June 30, 2007

Management's Discussion and Analysis

The significant difference that lies between the original and amended budget amount for revenue is due to the unexpected increase in advalorem taxes, property taxes, fees, charges, and commissions.

Summary

The Grant Parish Sheriff's Office had a positive year. Several factors have contributed to the positive financial position of the department as of June 30, 2007. They are:

- The cooperative endeavor between the Police Jury and Sheriff's Department regarding inmate housing per diem
- The increase in the Sheriff's sales and seizures generating commissions
- The current construction projects around the parish generating sales and advalorem taxes

The Grant Parish Sheriff's Office anticipates the continued support of the Policy Jury and continued economic growth in the parish.

Contacting the Sheriff's Office Management:

All questions or comments may be directed to Heather T. Elias at P.O. Box 187, Colfax, LA 71417.

Basic Financial Statements

Government-Wide Financial Statements (GWFS)

Grant Parish Sheriff
Colfax, Louisiana
Statement of Net Assets
Governmental Activities
June 30, 2007

Exhibit A

Assets		
Cash and cash equivalents		\$ 1,957,724
Investments		403,752
Receivables		328,105
Due from fiduciary funds		96,867
Prepaid expenses		18,427
Capital assets, net of depreciation		
Nondepreciable		
Land	29,738	
Depreciable		
Buildings and improvements	3,689,518	
Equipment and furniture	426,025	
Vehicles	160,827	
Total Assets		<u>4,306,108</u>
		<u>7,110,983</u>
Liabilities		
Accounts payable		127,095
Payroll liabilities		41,204
Long-term liabilities		
<i>Due within one year</i>		
Compensated absences		24,000
Total Liabilities		<u>192,299</u>
Net Assets		
Invested in capital assets		4,306,108
Unrestricted		<u>2,612,576</u>
Total Net Assets		<u>\$ 6,918,684</u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff
Colfax, Louisiana
Statement of Activities
Governmental Activities
Year Ended June 30, 2007

Exhibit B

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Current					
Public safety	\$ 2,480,037	\$ 373,003	\$ 214,559	\$ -	\$ (1,892,475)
Meth Lab Task Force	372,023	-	358,397	-	(13,626)
E-911	58,488	155,475	-	21,644	118,631
Task Force	21,869	-	16,401	-	(5,468)
Detention center	1,090,091	730,702	-	-	(359,389)
Total Governmental Activities	<u>\$ 4,022,508</u>	<u>\$ 1,259,180</u>	<u>\$ 589,357</u>	<u>\$ 21,644</u>	<u>(2,152,327)</u>
General Revenues					
Taxes					
Property taxes levied for general purposes					920,670
Property taxes levied for specific purposes					603,627
Sales tax authorized for general purposes					976,566
Grants and contributions not restricted to specific programs					
State revenue sharing					103,203
Investment earnings					22,564
Sale of assets					3,960
Miscellaneous					15,372
Total General Revenues					<u>2,645,962</u>
Change in Net Assets					493,635
Net Assets, Beginning of Year					<u>6,425,049</u>
Net Assets, End of Year					<u>\$ 6,918,684</u>

The accompanying notes are an integral part of the financial statements.

Fund Financial Statements

Grant Parish Sheriff
Colfax, Louisiana
Balance Sheet
Governmental Funds
June 30, 2007

Exhibit C

	Special Revenue Funds					Total Governmental Funds
	General Fund	Meth Lab '06 Task Force Fund	Meth Lab '05 Task Force Fund	E-911 Fund	Other Governmental Funds	
Assets						
Cash and cash equivalents	\$ 1,530,326	\$ -	\$ 70,729	\$ 290,206	\$ 66,463	\$ 1,957,724
Investments	301,876	-	-	-	101,876	403,752
Receivables	219,310	42,953	7,888	46,676	11,278	328,105
Due from fiduciary funds	96,867	-	-	-	-	96,867
Due from other funds	54,327	-	-	-	-	54,327
Total Assets	\$ 2,202,706	\$ 42,953	\$ 78,617	\$ 336,882	\$ 179,617	\$ 2,840,775
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 19,012	\$ 32,226	\$ 72,314	\$ -	\$ 3,543	\$ 127,095
Payroll withholdings	41,204	-	-	-	-	41,204
Due to other funds	-	10,727	6,303	-	37,297	54,327
Total Liabilities	60,216	42,953	78,617	-	40,840	222,626
Fund balances						
Unreserved	2,142,490	-	-	336,882	-	2,479,372
Unreserved, reported in non-major Capital projects funds	-	-	-	-	138,777	138,777
Total Fund Balances	2,142,490	-	-	336,882	138,777	2,618,149
Total Liabilities and Fund Balances	\$ 2,202,706	\$ 42,953	\$ 78,617	\$ 336,882	\$ 179,617	\$ 2,840,775

The accompanying notes are an integral part of the financial statements.

**Grant Parish Sheriff
Colfax, Louisiana
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2007**

Exhibit D

Total Fund Balances, Governmental Funds **\$ 2,618,149**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in Governmental Funds.

Cost of capital assets	5,654,376	
Less - Accumulated depreciation	<u>1,348,268</u>	4,306,108

Long-term liabilities are not due and payable in the current period. Accordingly, they are not reported as liabilities in the Governmental Funds. All liabilities are reported in the Statement of Net Assets.

Compensated absences payable	(24,000)
------------------------------	----------

Costs incurred which benefit more than one period are recorded as an expenditure in the Governmental Funds when paid. The portion relating to the next fiscal year is reported as prepaid expenses in the Statement of Net Assets.

Prepaid insurance	<u>18,427</u>
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Net Assets of Governmental Activities	<u>\$ 6,918,684</u>
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The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff
Colfax, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2007

	Special Revenue Funds				Exhibit E	
	General Fund	Meth Lab '06 Task Force Fund	Meth Lab '05 Task Force Fund	E-911 Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes						
Property taxes - general purpose	\$ 920,670	\$ -	\$ -	\$ -	\$ -	\$ 920,670
Property taxes - special purpose: Detention Center	603,627	-	-	-	-	603,627
Sales taxes	976,566	-	-	-	-	976,566
Intergovernmental						
Federal	50,086	42,953	245,786	21,844	86,059	446,528
State	693,484	-	-	-	-	693,484
Other	309,228	-	-	-	-	309,228
Fees, commissions, and fines	-	-	-	-	20,375	20,375
Fees, charges, commissions	353,389	-	-	-	-	353,389
Charges for services	-	-	-	155,475	-	155,475
Investment earnings	17,631	-	-	2,681	2,252	22,564
Donations	634	-	-	-	-	634
Miscellaneous	9,643	-	-	-	-	9,643
Total Revenues	3,934,958	42,953	245,786	179,800	108,686	4,512,183
Expenditures						
Current						
General government						
Public safety						
Personnel services and benefits	1,837,308	20,441	48,439	-	60,305	1,966,493
Operating services	39,017	3,291	10,216	43,054	727	56,305
Repairs and maintenance	69,945	-	-	39	-	69,984
Insurance	145,168	-	-	-	-	145,168
Materials and supplies	168,145	-	11,598	-	109	179,852
Other operating expenses	118,421	-	-	1,692	-	120,113
Public safety - Detention Center						
Personnel services and benefits	622,987	-	-	-	-	622,987
Operating services	290,527	-	-	-	-	290,527
Repairs and maintenance	27,828	-	-	-	-	27,828
Insurance	12,600	-	-	-	-	12,600
Capital outlay	94,050	19,221	175,533	21,844	30,386	340,834
Total Expenditures	3,425,986	42,953	245,786	66,429	91,527	3,872,691
Excess (Deficiency) of Revenues Over Expenditures	508,962	-	-	113,371	17,159	639,492
Other Financing Sources (Uses)						
Proceeds from sale of assets	3,960	-	-	-	-	3,960
Transfers in	76,944	-	-	-	105,468	182,412
Transfers out	(105,468)	-	-	(50,000)	(26,944)	(182,412)
Total Other Financing Sources (Uses)	(24,564)	-	-	(50,000)	78,524	3,960
Net Change in Fund Balances	484,398	-	-	63,371	95,683	643,452
Fund Balances, Beginning of Year	1,658,092	-	-	273,511	43,094	1,974,697
Fund Balances, End of Year	\$ 2,142,490	\$ -	\$ -	\$ 336,882	\$ 138,777	\$ 2,618,149

The accompanying notes are an integral part of the financial statements.

**Grant Parish Sheriff
Colfax, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended June 30, 2007**

Exhibit F

Net Change in Fund Balances - Total Governmental Funds **\$ 643,452**

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the period.

Capital outlays	149,843	
Less - Depreciation expense	318,494	(168,651)

In the Statement of Activities, certain operating expenses, such as compensated absences (vacation and sick leave) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

(Increase) decrease in vacation leave accrued	16,605
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Prepaid costs are recognized as an expenditure when paid in the Governmental Funds. In the Statement of Activities, however, prepaid expenses are allocated over the period for which the expense is related.

Increase (decrease) in prepaid insurance	2,229
--	-------

Change in Net Assets of Governmental Activities	\$ 493,635
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The accompanying notes are an integral part of the financial statements.

Agency Funds

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governmental entities, and/or other funds.

Bonds and Fines Fund - This fund is used to account for bonds, fines, and costs on traffic and other legal violations received by the Sheriff to be distributed in accordance with specific laws and regulations.

Cash Bonds Fund - This fund is used to account for cash bonds received for prisoners' release pending trial.

Civil Fund - This fund is used to account for cash received from sheriff's sales, garnishment of wages, and services provided to other governmental units. Also, certain amounts may be held pursuant to judicial orders pending finalization of legal suits.

Tax Collector Fund - This fund is used to account for collection of sales taxes, assessed ad valorem taxes and redemptions of sales taxes ad valorem taxes, and the disposition to the applicable taxing bodies.

Grant Parish Sheriff
Colfax, Louisiana
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds - All Agency Funds
June 30, 2007

Exhibit G

	Bonds and Fines Fund	Cash Bonds Fund	Civil Fund	Tax Collector Fund	Total
Assets					
Cash and cash equivalents	\$ 50,265	\$ 4,219	\$ 18,828	\$ 468,719	\$ 542,031
Receivables					
Other receivables	362	25	116	-	503
Total Assets	\$ 50,627	\$ 4,244	\$ 18,944	\$ 468,719	\$ 542,534
Liabilities					
Due to taxing bodies and others	\$ 42,984	\$ 4,244	\$ 18,944	\$ 379,495	\$ 445,667
Due to other funds	7,643	-	-	89,224	96,867
Total Liabilities	\$ 50,627	\$ 4,244	\$ 18,944	\$ 468,719	\$ 542,534

The accompanying notes are an integral part of the financial statements.

Notes to Basic Financial Statements

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

1. Reporting Entity and Significant Accounting Policies

As provided by Article V, Section 27, of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of Grant Parish. The Sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, and other similar programs. In addition, the Sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for the collection and distribution of ad valorem taxes, state revenue sharing funds, fines, costs, and bond forfeitures imposed by the district court.

The financial statements of the Grant Parish Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Grant Parish Sheriff's accounting policies are described below.

Reporting Entity

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Grant Parish Sheriff is considered a primary government, since it is a special purpose government that has a separately elected official, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Sheriff may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Sheriff also has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the Sheriff is financially accountable. There are no other primary governments with which the Sheriff has a significant relationship.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sheriff includes all funds, account groups, and activities that are controlled by the Sheriff as an independently elected official. As such, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. This report only includes all funds which are controlled by or dependent upon the Grant Parish Sheriff.

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

Basis of Presentation

The Grant Parish Sheriff's Basic Financial Statements consist of Government-Wide Financial Statements, including a Statement of Net Assets and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements – The Government-Wide Financial Statements include the Statement of Net Assets and the Statement of Activities. These statements report financial information for the Sheriff as a whole.

Fiduciary activities are not included at the government-wide reporting level. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the Fund Financial Statement level. Individual funds are not displayed, but the statements distinguish governmental activities, which normally are supported by taxes and intergovernmental revenues, from business-like activities, if any, generally financed in whole or in part by fees or charges. The activity of internal service funds, if any, is eliminated to avoid duplicating revenues and expenses. The Grant Parish Sheriff does not have any business-like activities or internal service funds.

The Statement of Net Assets presents the financial position of the governmental activities at year-end.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The Sheriff does not allocate indirect expenses to functions in the Statement of Activities. The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. Program revenues include: (1) charges for services which report fees and other charges to users of the Sheriff's services; (2) operating grants and contributions that are restricted to meeting the operational activities of a function; and (3) capital grants and contributions which fund the acquisition of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include ad valorem taxes, sales taxes, state revenue sharing, interest, and other unrestricted revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the Sheriff.

Fund Financial Statements – The financial transactions of the Sheriff are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, liabilities, fund equity, revenues, and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with legal and contractual provisions.

Grant Parish Sheriff

June 30, 2007

Notes to Basic Financial Statements

Funds are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate "fund types". The following fund types are used by the Grant Parish Sheriff:

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Funds) and the acquisition or construction of general fixed assets (Capital Projects Funds). The Fund Financial Statements report financial information by major funds and non-major funds. The following Governmental Funds are considered major funds:

General Fund – The General Fund is used to account for all activities of the general government not accounted for in some other fund. The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and is used to account for the operations of the Sheriff's office.

Meth Lab Task Force Funds – These funds relate to grant monies received for establishing and enhancing strategies to encourage community policing efforts that combat the use and distribution of methamphetamine. The grants are also designed to help cleanup activities of methamphetamine labs within Grant Parish.

E-911 Fund – The E-911 fund is used to account for all activities conducted in providing emergency response to individuals in need within Grant Parish.

All other funds are considered non-major funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Sheriff accounts for its agency funds in this category. Agency funds consist of the Sheriff's Civil Fund, Tax Collector Fund, Cash Bond Fund, and the Bonds and Fines Fund. They consist of monies deposited for civil suits, taxes, appearance bonds, and fees. Disbursements from the various funds are made to the appropriate agencies, litigants, and others as prescribed by statute.

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements (GWFS)

The Government-Wide Financial Statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenditures are recognized when incurred.

Fund Financial Statements (FFS)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-Wide Financial Statements. Major individual governmental funds are reported as separate columns in the Fund Financial Statements.

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

Fund Financial Statements report detailed information about the Sheriff's office. The focus of governmental Fund Financial Statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

Governmental Funds

All governmental funds are accounted for using a current financial resources measurement focus. All governmental fund types and agency funds use the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Sheriff considers ad valorem taxes as available if they are collected within 60 days after the fiscal year end, and sales taxes are accrued in accordance with Governmental Accounting Standards Board Statement No. 33. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, if any, are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Those revenues susceptible to accrual are ad valorem taxes, interest revenue and charges, commissions, and fees for service. Revenue recognition for cost reimbursement grants is recognized in accordance with GASB Statement 1. Grant revenue and expenditures are recognized in the period when all eligibility requirements have been met. Deferred revenues include amounts for which asset recognition criteria have been met. The Sheriff reports advance receipt of grant funds for use in the following period as deferred revenue.

Fiduciary Funds

The Sheriff has four agency funds. Unlike other types of funds, agency funds report only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus; however, they use the modified accrual basis of accounting to recognize receivables and payables.

Budgets

Budgets are adopted on the modified accrual basis of accounting, as discussed in the Governmental Funds. Annual appropriated budgets are usually adopted for the General and Special Revenue Funds. All annual appropriations lapse at the end of the fiscal year. Budgets for capital projects are adopted on a project-length basis. Because these non-operating budgets primarily serve as a management control function, no comparison between budgeted and actual amounts for funds budgeted on this basis is provided in this document.

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Sheriff prepares a proposed budget no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, the date of the public hearing is published.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgets are controlled at the fund level, and are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts shown in the financial statements are as originally adopted or as amended from time to time by the Sheriff.

Cash and Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits, as well as any short-term investments with a maturity date of three months or less from the date acquired by the Grant Parish Sheriff.

Investments, if any, represent certificates of deposit with a maturity date more than three months from the date acquired. Investments are stated at cost, which approximates market value.

Under state law, the Sheriff may deposit funds in demand deposits (interest bearing or non-interest bearing), money market accounts, or time deposits with any bank domiciled or having a branch in the State of Louisiana. The Sheriff may invest in United States bonds, treasury notes, investments as stipulated in state law, or any other federally insured investments.

Receivables

Accounts receivable are charged against income as they become uncollectible. In the opinion of management, all accounts at year-end were considered collectible, and an allowance for doubtful accounts was not considered necessary.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. These interfund receivables/payables are eliminated for reporting in the Statement of Net Assets.

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

Prepaid Expenses

In the Government-Wide Financial Statements, insurance premiums paid prior to year-end for coverage included in the next fiscal year are reported as prepaid expenses since the expense benefits the next fiscal year. In the Fund Financial Statements, these premiums are recorded as expenditures when paid.

Capital Assets and Depreciation

In the Government-Wide Financial Statements, capital assets are valued at historical cost or estimated cost if historical cost is not known. Donated assets, if any, are valued at estimated fair market value on date of donation. Capital assets are depreciated on a straight-line method over their estimated useful lives. A capitalization threshold of \$1,000 has been adopted for reporting purposes. Estimation of useful lives in years is as follows:

Buildings and improvements	15-40 years
Equipment	5-15 years
Vehicles	3 years

General fixed assets provided by the Grant Parish Police Jury are not recorded on the financial statements of the Grant Parish Sheriff.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized.

In the Fund Financial Statements, general fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures in governmental funds. No provision is made for depreciation on general fixed assets in the Fund Financial Statements since the full cost is expensed at the time of purchase.

Deferred Revenue

The Grant Parish Sheriff may report deferred revenue in its financial statements. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Sheriff before he has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Sheriff has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are not reported in the Fund Financial Statements. The full liability and related costs are reported in the Government-Wide Financial Statements. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

Net Assets

Net Assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

In cases where the Sheriff receives restricted and unrestricted monies for the same purpose, the restricted monies are used first.

Fund Balances

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. No portion of the fund balance is reserved at year end.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

Interfund balances are eliminated in the Government-Wide Financial Statements.

Sales and Use Tax

Proceeds from a one percent (1%) sales tax is dedicated to pay salaries and related benefits to employees of the Grant Parish Sheriff, and to purchase, lease, operate, and maintain vehicles, furniture, fixtures, and equipment utilized by the Grant Parish Sheriff's office in carrying out its public duties. The sales tax is for a period of five (5) years and encompasses Grant Parish. The tax expires December 31, 2009.

Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property located within the parish as of January 1 of each year. Taxes are levied normally in November, and actually billed to the taxpayer during the same month. Billed taxes become delinquent on January 1 of the following year. As the tax collector of the parish, the Sheriff bills and collects its own property taxes using the assessed values determined by the tax assessor of Grant Parish. Assets are recognized when an enforceable legal claim has arisen or when resources are received, whichever is first. Revenues from ad valorem taxes are budgeted in the year billed, and recognized in the period that the taxes are levied.

Grant Parish Sheriff

June 30, 2007

Notes to Basic Financial Statements

Supplemental Wages

Certain employees receive supplemental wages from the State of Louisiana. These supplemental wages are recognized as intergovernmental revenues and salaries and related benefits. For the fiscal year ending June 30, 2007, the amount of supplemental wages received was \$111,959.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Expenditures – Actual and Budget

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2007:

<u>Fund</u>	<u>Unfavorable Variance</u>
General Fund	\$ 90,123
Special Revenue Meth Lab '05 Task Force Fund	81,772

The unfavorable variance in the Special Revenue Meth Lab '05 Task Force Fund results from accruing entries recorded for reporting purposes. This program is cost reimbursement in nature and corresponding accruals to record revenue equal to the accrued expenditures resulted in a balanced final budget in this fund.

3. Cash and Cash Equivalents and Investments

At June 30, 2007 the Sheriff had cash and cash equivalents and investments as follows:

Cash and cash equivalents- Governmental Funds-demand deposits	\$ 1,957,724
Cash and cash equivalents- Fiduciary Funds	542,031
Investments – Certificates of Deposits – Governmental Funds	<u>403,752</u>
	\$ 2,903,507

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Grant Parish Sheriff

June 30, 2007

Notes to Basic Financial Statements

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. At year-end, all deposits were covered by depository insurance or collateral held by the Sheriff or the Sheriff's agents in the Sheriff's name.

4. Receivables

The receivables for governmental funds are as follows:

	General Fund	Meth Lab '06 Task Force Fund	Meth Lab '05 Task Force Fund	E-911 Fund	Other Governmental Funds	Balance June 30, 2007
Sales taxes	\$ 93,103	\$ -	\$ -	\$ -	\$ -	\$ 93,103
Intergovernmental	80,785	42,953	7,888	21,644	11,278	164,548
Fees, charges, commissions	<u>45,422</u>	<u>-</u>	<u>-</u>	<u>25,032</u>	<u>-</u>	<u>70,454</u>
	\$ 219,310	\$ 42,953	\$ 7,888	\$ 46,676	\$ 11,278	\$ 328,105

During the prior year, a settlement was reached regarding past due balances due from the Grant Parish Police Jury whereby the Jury paid a portion of the past due balances due to the Sheriff for fees related to housing prisoners. In addition, the agreement details the charges and expenses that will be assessed for current and future services for housing parish prisoners. Louisiana Revised Statutes provide that certain costs are the responsibility of the Grant Parish Police Jury.

5. Interfund Assets/Liabilities

Due From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	
General Fund	Special Revenue Meth Lab '06 Task Force Fund	\$ 10,727
General Fund	Special Revenue Meth Lab '05 Task Force Fund	6,303
General Fund	Other Governmental Funds	<u>37,297</u>
		\$ 54,327

Balances at June 30, 2007, result from the routine timing differences between the dates that interfund goods or services are provided and the dates that reimbursement occurs.

<u>Transfer In</u>	<u>Transfer Out</u>	
General Fund	Special Revenue E-911 Fund	\$ 50,000
General Fund	Other Governmental Funds	26,944
Other Governmental Funds	General Fund	<u>105,468</u>
		\$ 182,412

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

6. Capital Assets and Depreciation

The following is a summary of changes in the capital assets during the year ended June 30, 2007:

	<u>July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2007</u>
Governmental Activities				
Capital assets not being depreciated				
Land and improvements	\$ 29,738	\$ -	\$ -	\$ 29,738
Other Capital Assets				
Buildings and improvements	3,951,358	-	-	3,951,358
Equipment	791,375	105,325	-	896,700
Vehicles	785,333	44,516	(53,269)	776,580
Total Other Capital Assets	5,528,066	149,841	(53,269)	5,624,638
Less				
Accumulated depreciation				
Buildings and improvements	(158,693)	(103,147)	-	(261,840)
Equipment	(370,898)	(99,777)	-	(470,675)
Vehicles	(553,452)	(115,570)	53,269	(615,753)
Total Accumulated Depreciation	(1,083,043)	(318,494)	53,269	(1,348,268)
Other Capital Assets, Net	4,445,023	(168,653)	-	4,276,370
Governmental Activities				
Capital Assets, Net	\$ 4,474,761	\$ (168,653)	\$ -	\$ 4,306,108

Depreciation expense was charged to functions as follows:

Governmental Activities	
Public safety	\$ 125,628
Meth Lab Task Force	47,774
E-911	13,703
Detention center	131,389
Total Depreciation Expense for Governmental Activities	\$ 318,494

7. Long-Term Liabilities

During the year ended June 30, 2007, the following changes occurred in long-term liabilities:

	<u>Balance July 1, 2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2007</u>
Compensated absences payable	\$ 40,607	\$ 24,000	\$ (40,607)	\$ 24,000

**Grant Parish Sheriff
June 30, 2007**

Notes to Basic Financial Statements

It is the policy of the Sheriff that any accrued compensated absences unused at December 31st of each year are lost, therefore, all compensated absences payable at June 30, 2007 are reported as due within one year in the Government-Wide Financial Statements.

8. Ad Valorem Tax

Proceeds from a 19.00 mill ad valorem tax effective for the calendar year of 2001, granted by a majority of the votes cast in favor of the proposition during a special election held during 2000, is dedicated for the purpose of maintaining, and operating jail facilities for the Law Enforcement District of the Parish of Grant. The tax is for a period of twenty (20) years beginning with the year 2001 and ending with the year 2021.

For the year ended June 30, 2007, taxes of 46.76 mills were levied on property with assessed values totaling \$33,275,873. This assessment includes taxes of 27.76 mills levied for general purposes.

9. Changes in Agency Fund Balances

The following is a summary of changes in agency fund balances due to taxing bodies and others for the period ended June 30, 2007.

	Tax Collector Fund	Sheriff's Civil Fund	Bonds and Fines and Cash Bonds Funds	Total
Balance, July 1, 2006	\$ 447,321	\$ 17,516	\$ 67,242	\$ 532,079
Additions	9,732,031	432,709	634,087	10,798,827
Reductions	(9,710,633)	(431,281)	(646,458)	(10,788,372)
Balance, June 30, 2007	\$ 468,719	\$ 18,944	\$ 54,871	\$ 542,534

10. Risk Management

The Sheriff's department is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Sheriff participates in a statewide public entity risk pool as outlined below. Settled claims did not exceed coverage for the past year.

	Limits of Coverage
Public entity risk pool	
Auto liability	
Bodily injury and property damage	\$ 1,000,000
Medical payments	5,000
Law enforcement officers' liability	1,000,000
Excess general liability	2,000,000

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

The Sheriff pays an annual premium to the public risk entity pool. The pool is self-sustaining through member premiums. The Sheriff reports all of its risk management activities and covers all other losses and expenses of risk management through the General Fund.

At June 30, 2007, the Sheriff is not involved in any lawsuits which would have a material effect on the financial statements nor is he aware of any unasserted claims.

11. Pension Plan

Substantially all employees of the Grant Parish Sheriff are members of the Sheriff's Pension and Relief Fund ("System"), a cost-sharing, multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$800 per month, and who are at least 18 years of age at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service, or at any age with at least 30 years of creditable service, and receive a benefit, payable monthly for life, equal to a percentage of their average final salary for each year of credited service. The percentage factor to be used for each year of service is 3.33 percent of creditable service. In any case, the retirement benefit cannot exceed 100 percent of the final-average salary. Final-average salary is the employee's highest average salary over 36 consecutive or joined months that produces the highest average. Employees who terminate with at least 12 years of service and who do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between the ages of 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute.

Employees who elected prior to July 1, 2001, could participate in the Deferred Retirement Option Plan (DROP), whereby in lieu of terminating employment and accepting a service retirement allowance, any member with twelve or more years of service and at least age 55, or 30 years of service and at least age 53, could defer the receipt of benefits for up to 3 years.

Effective July 1, 2001, the regular DROP option mentioned above was replaced by the Back DROP option. Instead of declaring in advance your DROP intentions, a member now declares at the end of the DROP period that he/she wants to participate in the Back DROP. The DROP period in the Back DROP is any time up to three years after a member is eligible to retire. The number of years in the Back DROP period is then subtracted from the number of years of creditable service to determine the retirement allowance for the member. The benefit allowable in the Back DROP is equal to the number of months in the DROP period times the monthly benefit calculated using the maximum retirement benefit.

Contributions to the System include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and one-tenth of one percent of the net direct premiums received in the state by casualty insurers doing business in the state. State statute requires covered employees to contribute 10.0% of their salaries to the System and requires an employer contribution equal to 11.00% of each covered employee's salary.

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

The Sheriff's Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Sheriff's Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, LA 70802.

The Sheriff made the following required contributions to the Sheriff's Pension and Relief Fund:

<u>Fiscal Year Ending</u>	<u>Amount</u>
6/30/07	\$ 270,155
6/30/06	302,932
6/30/05	302,178

12. Expenses of the Sheriff Paid by Others

The Grant Parish Police Jury, as governing authority of the Parish, is required to provide certain facilities, services, and supplies necessary for the Sheriff to carry out the responsibilities of the office. Consequently, expenditures for those costs, such as office space, parish jail, certain equipment and supplies, and related expenses necessary for the use, operation, and maintenance of these facilities, are not included in the financial statements of the Sheriff.

13. Post Retirement Health Care Benefits

The Grant Parish Sheriff provides postretirement benefits to retired deputies with at least fifteen years of service who are at least fifty-five years of age or with at least thirty years of service at any age. State statutes provide that the premium costs of group hospital, surgical, medical expense, and dental insurance and the first ten thousand dollars of life insurance shall be paid from the Sheriff's General Fund for deputies meeting those requirements.

The Grant Parish Sheriff pays health and life insurance costs, as applicable, of the retired deputies and their spouses directly to the benefit provider. The Louisiana Sheriff's Pension System reimburses the Sheriff for the spouses' portion of those costs, which have been deducted from the retirees' monthly pension check.

14. GASB 45 Implementation

In June 2004, The Governmental Accounting Standards Board (GASB) approved Statement No. 45, Accounting and Financial Reporting by Employers for Postretirement Benefits other than Pensions. This new pronouncement provides guidance for local governments in recognizing the cost of retiree health care, as well as any "other" post employment benefits (other than pensions).

Grant Parish Sheriff
June 30, 2007

Notes to Basic Financial Statements

Government-Wide Financial Statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The new pronouncement will cause the Government-Wide Financial Statements to recognize the cost of providing retiree health care coverage over the life of the employee, rather than at the time the health care premiums are paid. Annually, the unfunded actuarial accrued liability (UAAL) will be reported in the Government-Wide Financial Statements. However, the UAAL will not be reported in the individual fund statements that use the modified accrual basis of accounting.

The Sheriff will implement the provisions of GASB Statement No. 45 along with the required note disclosures for the fiscal year beginning July 1, 2009.

Required Supplemental Information – Part II

Grant Parish Sheriff
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2007

Statement H

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Property taxes - general purpose	\$ 851,260	\$ 918,915	\$ 920,670	\$ 1,755
Property taxes - special purpose: Detention Center	558,000	603,027	603,627	600
Sales taxes	800,000	900,000	976,566	76,566
Intergovernmental				
Federal	25,000	4,800	50,086	45,286
State	608,000	670,500	693,484	22,984
Other	141,350	247,567	309,228	61,661
Fees, charges, commissions	279,868	295,986	353,389	57,403
Investment earnings	5,500	13,650	17,631	3,981
Donations	-	634	634	-
Miscellaneous	10,330	6,649	9,643	2,994
Total Revenues	3,279,308	3,661,728	3,934,958	273,230
Expenditures				
Current				
General government				
Public safety				
Personnel services and benefits	1,956,658	1,986,176	1,837,308	148,868
Operating services	56,300	61,090	39,017	22,073
Repairs and maintenance	81,800	68,650	69,945	(1,295)
Insurance	148,470	148,282	145,168	3,114
Materials and supplies	160,300	167,580	168,145	(565)
Other operating expenses	81,275	96,392	118,421	(22,029)
Public safety - Detention Center				
Personnel services and benefits	472,500	474,500	622,987	(148,487)
Operating services	188,100	239,645	290,527	(50,882)
Repairs and maintenance	13,650	25,908	27,828	(1,920)
Insurance	12,000	14,000	12,600	1,400
Capital outlay	88,000	53,650	94,050	(40,400)
Total Expenditures	3,259,053	3,335,873	3,425,996	(90,123)
Excess of Revenues over Expenditures	20,255	325,855	508,962	183,107
Other Financing Sources (Uses)				
Proceeds from sale of assets	2,500	3,960	3,960	-
Transfers in	58,000	78,101	76,944	(1,157)
Transfers out	(6,191)	(107,000)	(105,468)	1,532
Total Other Financing Sources (Uses)	54,309	(24,939)	(24,564)	375
Net Change in Fund Balance	74,564	300,916	484,398	183,482
Fund Balance, Beginning of Year	1,658,092	1,658,092	1,658,092	-
Fund Balance, End of Year	\$ 1,732,656	\$ 1,959,008	\$ 2,142,490	\$ 183,482

See independent auditor's report.

**Grant Parish Sheriff
Colfax, Louisiana
Budgetary Comparison Schedule
Meth Lab '05 Task Force Fund
For the Year Ended June 30, 2007**

Statement I

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental				
Federal	\$ 295,993	\$ 164,014	\$ 245,786	\$ 81,772
Total Revenues	295,993	164,014	245,786	81,772
Expenditures				
Current				
General government				
Public safety				
Personnel services and benefits	30,000	43,281	48,439	(5,158)
Operating services	14,800	9,866	10,216	(350)
Materials and supplies	25,000	7,675	11,598	(3,923)
Capital outlay	226,193	103,192	175,533	(72,341)
Total Expenditures	295,993	164,014	245,786	(81,772)
Excess of Revenues over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

**Grant Parish Sheriff
Budgetary Comparison Schedule
Meth Lab '06 Task Force Fund
For the Year Ended June 30, 2007**

Statement J

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental				
Federal	\$ -	\$ 60,000	\$ 42,953	\$ (17,047)
Total Revenues	-	60,000	42,953	(17,047)
Expenditures				
Current				
General government				
Public safety				
Personnel services and benefits	-	30,000	20,441	9,559
Operating services	-	-	3,291	(3,291)
Capital outlay	-	30,000	19,221	10,779
Total Expenditures	-	60,000	42,953	17,047
Excess of Revenues over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

Grant Parish Sheriff
Budgetary Comparison Schedule
E-911 Fund
For the Year Ended June 30, 2007

Statement K

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental				
Federal	\$ -	\$ -	\$ 21,644	\$ 21,644
Charges for services	140,000	123,000	155,475	32,475
Investment earnings	2,000	2,200	2,681	481
Total Revenues	<u>142,000</u>	<u>125,200</u>	<u>179,800</u>	<u>54,600</u>
Expenditures				
Current				
General government				
Public safety				
Operating services	43,500	41,000	43,054	(2,054)
Repairs and maintenance	1,000	150	39	111
Other operating expenses	2,000	1,250	1,692	(442)
Capital outlay	<u>40,000</u>	<u>26,000</u>	<u>21,644</u>	<u>4,356</u>
Total Expenditures	<u>86,500</u>	<u>68,400</u>	<u>66,429</u>	<u>1,971</u>
Excess of Revenues over Expenditures	55,500	56,800	113,371	56,571
Other Financing Sources (Uses)				
Transfers out	<u>(40,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balance	15,500	6,800	63,371	56,571
Fund Balance, Beginning of Year	<u>221,280</u>	<u>273,511</u>	<u>273,511</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 236,780</u>	<u>\$ 280,311</u>	<u>\$ 336,882</u>	<u>\$ 56,571</u>

See independent auditor's report.

Supplemental Information

Non-major Governmental Funds

Special Revenue Funds - Special revenue funds account for the receipt and disbursement of earmarked monies.

Inmate Fund -This fund accounts for the purchases and sales of cigarettes, candies, and notions for prisoners, as well as commissions earned by the Sheriff from the sale of the merchandise.

Meth Lab and Task Force Funds - These funds account for grant money that is to be used for law enforcement purposes by the Grant Parish Sheriff.

Detention Center Fund - This fund accounts for certain activities related to the new detention center.

Other Governmental Capital Projects Fund - This fund is used to account for funds designated for future expansion and acquisitions.

Grant Parish Sheriff
Cofax, Louisiana
Combining Balance Sheet
Other Governmental Funds
June 30, 2007

Schedule 1

Special Revenue Funds

	Inmate Fund	Meth Lab Task Force Grant Parish	Task Force '06 Fund	Task Force '05 Fund	Detention Center Fund	Other Governmental Capital Projects Fund	Total Other Governmental Funds
Assets							
Cash and cash equivalents	\$ 3,478	\$ 7,511	\$ -	\$ 18,573	\$ -	\$ 36,901	\$ 66,463
Investments	-	-	-	-	-	101,876	101,876
Receivables	572	7,230	3,476	-	-	-	11,278
Total Assets	<u>\$ 4,050</u>	<u>\$ 14,741</u>	<u>\$ 3,476</u>	<u>\$ 18,573</u>	<u>\$ -</u>	<u>\$ 138,777</u>	<u>\$ 179,617</u>
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 3,543	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,543
Due to other funds	507	14,741	3,476	18,573	-	-	37,297
Total Liabilities	<u>4,050</u>	<u>14,741</u>	<u>3,476</u>	<u>18,573</u>	<u>-</u>	<u>-</u>	<u>40,840</u>
Fund balances							
Unreserved	-	-	-	-	-	138,777	138,777
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>138,777</u>	<u>138,777</u>
Total Liabilities and Fund Balances	<u>\$ 4,050</u>	<u>\$ 14,741</u>	<u>\$ 3,476</u>	<u>\$ 18,573</u>	<u>\$ -</u>	<u>\$ 138,777</u>	<u>\$ 179,617</u>

See independent auditor's report.

Grant Parish Sheriff
Cofax, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2007

Schedule 2

	Special Revenue Funds						Total Other Governmental Funds
	Inmate Fund	Meth Lab Task Force Grant Parish	Task Force '06 Fund	Task Force '05 Fund	Detention Center Fund	Other Governmental Capital Projects Fund	
Revenues							
Intergovernmental							
Federal	-	\$ 69,658	\$ 3,476	\$ 12,925	-	-	\$ 86,059
Fees, commissions, and fines	20,375	-	-	-	-	-	20,375
Investment earnings	-	-	-	-	8	2,244	2,252
Total Revenues	20,375	69,658	3,476	12,925	8	2,244	108,886
Expenditures							
Current							
Public safety							
Personnel services and benefits	-	39,272	3,908	17,125	-	-	60,305
Operating services	-	-	727	-	-	-	727
Materials and supplies	-	-	-	109	-	-	109
Capital outlay	-	30,388	-	-	-	-	30,386
Total Expenditures	-	69,658	4,635	17,234	-	-	91,527
Excess (Deficiency) of Revenues Over Expenditures	20,375	-	(1,159)	(4,309)	8	2,244	17,159
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(26,818)	-	1,159	4,309	(126)	100,000	105,468
Total Other Financing Sources (Uses)	(26,818)	-	1,159	4,309	(126)	100,000	(26,944)
Net Change in Fund Balances	(6,443)	-	-	-	(118)	102,244	95,863
Fund Balances, Beginning of Year	6,443	-	-	-	118	36,533	43,094
Fund Balances, End of Year	-	-	-	-	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,777	\$ 138,777

See independent auditor's report.

**Other Reports Required
by *Government Auditing Standards***

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards**

The Honorable L. R. Hataway
Grant Parish Sheriff
Colfax, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Grant Parish Sheriff, Colfax, Louisiana, as of and for the year ended June 30, 2007, which collectively comprise the Grant Parish Sheriff's basic financial statements and have issued our report thereon dated December 5, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Grant Parish Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Grant Parish Sheriff's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Grant Parish Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Grant Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the Grant Parish Sheriff's internal control.

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ROBERT L. LITTON, C.P.A.

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The Honorable L. R. Hataway
Grant Parish Sheriff
Colfax, Louisiana

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Grant Parish Sheriff's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Grant Parish Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Grant Parish Sheriff, management, federal awarding agencies, and the Louisiana Legislative Auditor's office and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is in fact a public document.


Certified Public Accountants

December 5, 2007

**Grant Parish Sheriff
Schedule of Findings and Responses
Year Ended June 30, 2007**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified	
Internal control over financial reporting:		
Material weaknesses identified?	_____ Yes	___x___ No
Reportable conditions identified that are not considered to be material weaknesses?	_____ Yes	___x___ None reported
Noncompliance material to financial statements noted?	_____ Yes	___x___ No
<i>Management's Corrective Action Plan</i>	<i>None</i>	
<i>Management's Summary Schedule of Prior Audit Findings</i>	<i>See attached</i>	
<i>Memorandum of Recommendations and Other Comments</i>	<i>None issued</i>	
<i>Federal Awards</i>	<i>Not applicable</i>	

Section II - Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

Not applicable.

**Grant Parish Sheriff
Management's Summary Schedule of Prior Audit Findings
Year Ended June 30, 2007**

Finding 2006-01 Accounting for New Funds and Related Reconciliations

Summary: Expenditures related to a new special revenue fund were being funded from the general fund because no new fund had yet been established. Activity related to this new program was reported as an interfund receivable to the general fund with no corresponding interfund payable from the new special revenue fund. Failure to establish the new fund in the accounting system for this new grant omitted a cash account that was established by a transfer from the general fund.

Reconciliations of the Inmate Fund account were not provided to and reviewed by management.

Status: Resolved.

Finding 2006-02 Failure to Comply With LA R.S. 42:283 Through 42:286

Summary: Management inadvertently failed to file reports with local agencies in accordance with LA R.S 42:283 through 42:286.

Status: Resolved.

Finding 2006-03 Compliance with Bid Law

Summary: Purchases for a Kubota tractor, hazmat equipment, telephone equipment, and food services for the new detention center exceeded threshold amounts, but were not properly advertised and let by contract to the lowest responsible bidder as required by Louisiana Revised Statute 38:2212 or evidence of compliance was not available for inspection.

Status: Resolved.